



Kentucky State Committee for School District Audits
Members of the Board of Education
Russellville Independent School District
Russellville, Kentucky

In planning and performing our audit of the financial statements of ***Russellville Independent School District*** (the "District") for the year ended June 30, 2007, we considered the District's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

However, during our audit we became aware of matters that are opportunities for strengthening internal controls and operating efficiencies. The memorandum that accompanies this letter summarizes our comments and recommendations regarding these matters. Any uncorrected comments from the prior year have been listed in this letter. A separate report dated October 24, 2007 contains our report on the District's internal control. This letter does not affect our report dated October 24, 2007 on the financial statements of the District.

We will review the status of these comments during our next audit engagement. We have already discussed the comments and recommendations with various District personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters or to assist you in implementing the recommendations.

Holland CPAs, PSC

Russellville, Kentucky
October 24, 2007

RUSSELLVILLE INDEPENDENT SCHOOL DISTRICT
COMMENTS AND RECOMMENDATIONS
For the Year Ended June 30, 2007

• **Russellville Middle School**

▶ **Prior Year Comments Not Corrected**

In our procedures over disbursements, we noted that not all disbursements included documentation of receipt. We recommend that all items received have some documentation of receipt to ensure all items requested were received.

Report

▶ **Current Year Comments**

In our inquiries, we noted that the monthly financial report is not sent to each club/organization sponsor. For the club/organization sponsors' review, we recommend that these reports be distributed monthly.

10/26/2007

- The school bookkeeper will have staff sign off on the packing slip or invoice when the merchandise is received as well as the invoice before the check is written. The bookkeeper has always made sure the merchandise was received prior to the invoice being paid. She will now make sure it has been documented with an initial by the staff that received the order. ✓
- Activity fund sponsors are aware that summary or detail reports are available upon request at any time. Management does not consider further reporting a requirement. ✓

Mark Coursey, CPA
10/29/07